

1                                   **SUMMARY OF PREFILED TESTIMONY**  
2   **OF**  
3                                   **BARBARA MALLETT**

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5                                   ***PUD 200300646***

6    *Application of Joyce E. Davidson, Director of the Public Utilities Division, Oklahoma*  
7    *Corporation Commission, to Initiate a Proceeding for the Implementation of the Federal*  
8    *Communications Commission's Triennial Review Order*

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10   **RECOMMENDATIONS**

11   Staff's makes the following recommendations with regard to SBC's proposed Batch Hot Cut  
12   options.

- 13       • Staff recommends that this Commission find that it is obligated only to approve a Batch  
14       Hot Cut ("BHC") process within nine months of the effective date of the TRO, rather  
15       than approve and implement a BHC process within nine months.
- 16       • Staff recommends that this Commission find that absence of a batch cut process(es)  
17       would impair carriers in the absence of mass-market switching provided as a UNE.
- 18       • Staff recommends that this Commission find that an appropriate minimum number of  
19       loops contained in a batch is two.
- 20       • Staff recommends that the three BHC options proposed by SBC for its eleven-state  
21       region be approved and implemented by this Commission for use in all areas served by  
22       SBC, with the modifications listed below. Staff further recommends that a Cause or  
23       Causes be opened by the Commission to address the following matters.  
24           1- The first matter Staff will address involves testing and scalability. Staff  
25           recommends that the proposed system modifications be examined and tested by  
26           an independent third party under the Commission's oversight. This testing should

1 be at SBC's expense and, in recognition of the fact that the OSS is a regional  
2 system, should be carried out to the extent possible in conjunction with the other  
3 states in the SBC region. Staff also recommends that SBC report Oklahoma-  
4 specific BHC-related data on a monthly basis in order to aid in determining  
5 appropriate Performance Measure ("PM") benchmarks.

6 2- In the second matter, Staff recommends that the following issues not be included  
7 as a condition for approval of SBC's proposed BHC processes, but rather be  
8 pursued on a going forward basis in regional workshops. When consensus has  
9 been reached regarding how to include the following types of migration in the  
10 OSS, the Commission should open a cause to adopt resolved issues and settle any  
11 outstanding problems relevant to Oklahoma's telecommunications carriers.

- 12 • CLEC-to-CLEC migration and cross-connects
- 13 • Line Splitting and Line Sharing
- 14 • Enhanced Extended Loops (EELs)

15 3- The third matter concerns SBC's current OSS and enhancements that SBC has  
16 proposed to implement in 2004. Staff recommends that these proposed  
17 enhancements be approved.

18 4- The fourth matter addresses CLEC concerns regarding additional support missing  
19 from SBC's current BHC process options and OSS support after the additional  
20 enhancements proposed by SBC.

- 21 • Staff recommends that SBC be ordered to continue to work with the  
22 CLECs who wish to use trap-and-trace in order to facilitate the process of  
23 implementation.
- 24 • With regard to the additional OSS Enhancements proposed by the CLEC's  
25 and Staff of the Texas Public Utility Commission, Mr. Nara Srinivasa,  
26 Staff agrees with Mr. Srinivasa's conclusions and recommends that the  
27 four issues be addressed via a series of regional collaborative workshops.

28 5- The fifth matter is the thirteen-day scheduling/provisioning interval. Staff  
29 recognizes that the thirteen-day interval proposed by SBC is an issue for the

CLECs. Staff recommends that the PMs for BHC for new customers should be disaggregated from those for embedded base customers. Staff recommends that the possibilities for a more workable solution in context of new customers be discussed in the regional workshops where other such issues will be addressed.

6- The sixth matter involves CLEC access to SBC's GR 303 equipment to avoid having their IDLC loops moved to a copper pair or universal digital loop carrier. Staff recommends that SBC's GR 303 equipment not be made available to CLECs at this time. However, if and when solutions are found to the unresolved problems noted above, Staff also recommends that this issue be revisited.

7- The seventh matter concerns the need for additional and revised PMs as a result of any changes made to the OSS. The existing PMs were developed in a series of regional collaborative workshops to allow all of the affected entities sufficient opportunity to review, consider, and discuss each proposed change and propose any others that may be needed in order to address CLEC concerns adequately. Staff recommends that any changes to the existing PMs should be made using the same process.

- Staff recommends that the Commission should contract with an independent third-party cost expert, at SBC's expense, to review the cost study and rates proposed by SBC.

## **DISCUSSION**

At paragraph 423 of the TRO, the FCC defines BHC as:

a seamless, low-cost process for transferring large volumes of mass market customers

At 47 C.F.R. §51.319(d)(2)(ii), the FCC continues that a batch cut process is:

that process by which the ILEC simultaneously migrates two or more loops from one carrier's switch to another carrier's switch, "giving rise to operational and economic efficiencies" not available when loops are migrated on a line-by-line basis.

The physical process involves a manual "lift-and-lay" of a customer's loop to remove the connection from SBC's switch and establish a new connection to the CLEC's switch. SBC's current hot cut process is available for orders of up to twenty-four lines end-user address during normal business hours, 8:00 a.m. through 5:00 p.m. Monday through Friday excluding holidays.

1 SBC has also established a “project” offering to handle orders for more than twenty-four lines  
2 that terminate at one end-user address. The proposed BHC options are intended to enhance the  
3 current process and “project” offering to allow routine handling of larger volumes of  
4 conversions.

5 Staff’s understanding of SBC’s proposed BHC process is that it consists of three separate  
6 proposed processes: 1) the Enhanced Daily Process, 2) the Defined Batch Process, and 3) the  
7 Bulk Project Offering. In each of these proposed processes, the CLEC may choose between a  
8 Coordinated Hot Cut (“CHC”) and a Frame Due Time (“FDT”) option, depending upon which is  
9 most convenient for the CLEC. CHC involves manual coordination and communications  
10 between SBC and CLEC staff on the day of the hot cut, or “lift-and-lay”, to facilitate and  
11 coordinate the cut-over. FDT, however, allows SBC and the CLEC to negotiate, or the CLEC to  
12 request, a time period during which the hot cuts will be accomplished. An FDT involves no  
13 real-time manual coordination between SBC and the CLEC; each separately performs whatever  
14 tasks are necessary to complete the cut-over on the date and within the agreed upon time frame.

### 15 **Enhanced Daily Process**

16 According to SBC’s “11-State Final Batch Hot Cut Proposal”, the Enhanced Daily  
17 Process is intended primarily to support CLEC acquisitions of new customers. SBC places no  
18 limit, beyond existing project limits, on the number of daily Local Service Requests (“LSRs”) a  
19 CLEC may submit. This option supports changes in carriers using SBC’s switch including:

- 20 1) UNE-P to UNE-L with Local Number Portability (“LNP”) with a different CLEC,
- 21 2) Resale to UNE-L with LNP with a different CLEC, and
- 22 3) SBC Retail to UNE-L with LNP.

23 The provisioning interval available under the Enhance Daily Process is between two and  
24 five days. This option is available between 8:00 a.m. and 5:00 p.m. weekdays, excluding  
25 holidays. CLECs may choose between CHC and FDT options. Also, the Defined Batch Cut  
26 process allows a CLEC to schedule its batch cuts using a reservation tool that permits the CLEC  
27 to reserve time slots, and SBC will provide enhancement to its Provisioning Web Site (“PWS”)   
28 that allows CLECs to track their hot cuts. Mechanized order flow-through is supported.

1 This option also supports Integrated Digital Loop Carrier (“IDLC”) loops. IDLC is a  
2 technology that integrates the digital loop carrier system directly into a switch on a digital  
3 basis, typically at a DS1 level. Because IDLC loops are at the DS1 level and terminate  
4 directly on the switch, as opposed to terminating on the main distribution frame (“MDF”),  
5 SBC must move IDLC provisioned service to either copper loop or an unbundled IDLC  
6 (“UDLC”) system to perform a hot cut. Once this is accomplished, the circuit has the  
7 appearance of the MDF, from which the hot cut can be made to the CLEC switch.

8 **Defined Batch Cut** option proposed by SBC.

9 According to SBC’s proposal, the Defined Batch Cut Process is intended to support  
10 migrations of an embedded base of resold and UNE-P mass-market loops to the CLEC’s own  
11 switch. This option allows CLECs to use one service order to schedule up to 100 cut-overs at a  
12 central office (“CO”), with a 200-line maximum per CO per day. The following types of  
13 changes are supported.

14 Migrations of embedded base (same customer and carrier, different switch):

- 15 • UNE-P to UNE-L with LNP with the same CLEC, and
- 16 • Resale to UNE-L with LNP with the same CLEC,

17 New customer acquisitions:

- 18 • UNE-P to UNE-L with LNP with a different CLEC,
- 19 • Resale to UNE-L with LNP with a different CLEC, and
- 20 • SBC Retail to UNE-L with LNP.

21 IDLC loops can be included under this option. SBC states that a thirteen-day scheduling  
22 period is required to provision batch cuts under this option. The CHC option is available  
23 Monday through Friday from 8:a.m. through 5:00 p.m. and also Monday through Friday from  
24 6:00 a.m. through 8:00 a.m. (minimum 25 lines and maximum 50 lines), and 5:00 p.m. through  
25 midnight (minimum 25 lines and maximum 100 lines). In addition, CHCs can be scheduled for  
26 Saturdays from 8:00 a.m. through 5:00 p.m. (minimum 50 lines and maximum 200 lines). All of  
27 these times exclude holidays. FDT can be scheduled for 8:00 a.m. through 5:00 p.m. Monday  
28 through Friday and 6:00 a.m. through 8:00 a.m. Monday through Friday (minimum 25 lines and

1 maximum 50 lines). These times also exclude holidays. IDLC loops must be cut-over during  
2 normal work hours, 8:00 a.m. through 5:00 p.m. SBC estimates that it can accommodate 20 hot  
3 cuts per hour during normal business hours and twenty-five per hour out-of-hours (not between  
4 8:00 a.m. and 5:00 p.m.). The Defined Batch Cut process allows CLECs to use one service order  
5 to schedule up to 100 lines at a single CO, whereas the Enhanced Daily process requires a  
6 service order for each customer location. Also, the Defined Batch Cut process allows a CLEC to  
7 schedule its batch cuts using a reservation tool that permits the CLEC to reserve time slots, and  
8 SBC will provide enhancements to its PWS that allow CLECs to track their hot cuts.  
9 Mechanized order flow-through is supported.

10 The Defined Batch Process is CO-based in that it allows a CLEC the ability to schedule  
11 multiple CO conversions on a single day. SBC claims that it will be able to migrate sufficient  
12 volumes to convert its entire embedded base within 27 months, thereby fulfilling the TRO's  
13 requirement.

#### 14 **Bulk Project**

15 According to SBC's proposal, the Bulk Project option is intended to support the  
16 scheduling of large volumes of CLEC hot cuts for either embedded base customers or newly  
17 acquired customers. Bulk Project requires a minimum of 20 lines, and offers either the CHC or  
18 FDT option. This option allows a CLEC to schedule more than 100 CHCs in a single day, at a  
19 single or multiple COs. Enterprise customers may be scheduled along with other types of  
20 conversions under this option. SBC plans to add EELs to this option at a later date. Off-hours  
21 scheduling is available under this option beyond those hours mentioned for the Defined Batch  
22 Process, excluding Sundays. New acquisitions who are either mass-market end-users  
23 subscribing to voice service as an SBC retail customer or as another CLEC's resale or UNE-P  
24 customer may be transitioned using this option. The Bulk Project may also be used to migrate a  
25 CLEC's embedded base of resale and UNE-P mass market customers and enterprise DS0  
26 customers. IDLC loops may be cut-over using this option during normal business hours (8:00  
27 a.m. through 5:00 p.m. Monday through Friday). Any combination of these cut-overs may be  
28 included in a batch. The scheduling/provisioning period under this option is negotiated by the  
29 parties.

1 According to SBC witness Carol Chapman, SBC's total Oklahoma embedded base  
2 consists of roughly 75,000 UNE-P lines with no more than 5,000 lines of embedded base in any  
3 CO. Ms. Chapman states that about ninety-five percent of SBC's 200 COs have fewer than  
4 2,000 UNE-P lines.

5 The FCC requires that the ILECs move at least one-third of their unbundled switching  
6 end-users to a non-ILEC switch within thirteen months. The next one-third must be migrated  
7 within the next seven months. The final one-third must be transitioned within another seven  
8 months. The total time for transitioning SBC's embedded UNE-P base is twenty-seven months.  
9 In the opinion of SBC Staff witness Carol Chapman and other SBC witnesses, the proposed  
10 options would suffice to move SBC's entire Oklahoma embedded base to non-SBC switches.  
11 However, none of the options have been tested at commercial volumes.

12 In Staff's opinion, the three options represent an improvement in operational efficiency  
13 over the existing hot cut process offered by SBC. The proposed processes are specifically  
14 intended to support large volume cut-overs, whereas the current hot cut process is not. Approval  
15 of the three options and implementation of each would serve to mitigate the operational  
16 impairment issues associated with loop migrations. However, some issues will still exist.

17 In Staff's opinion, the primary issues remaining with regard to SBC's proposed BHC  
18 processes involve

- 19 1. scalability of the processes to the commercial volumes required if switching is no  
20 longer required as a UNE and testing of the processes at those volumes,
- 21 2. tracking of the processes by CLECs,
- 22 3. which types of service (voice only, split or shared loops, EELs, cross-connects,  
23 CLEC-to-CLEC migration) should be included in the processes,
- 24 4. additional enhancements SBC proposes to enhance its BHC process options and  
25 PWS,
- 26 5. additional enhancements needed to address CLEC concerns,
- 27 6. the problematic nature of the thirteen-day provisioning interval proposed in the  
28 Defined Batch Cut option,

- 1           7. unbundled IDLC loops, and
- 2           8. development/revision and acceptance of PMs to track SBC's performance using the
- 3           new processes.